

Yet more competitive funding agreed under AHF's EIB II Facility

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For Immediate Release

The Government-backed aggregator, Affordable Housing Finance (AHF), has recently priced two 30-year amortising loans, totalling £25mil, of the much-desired EIB II funding.

AHF priced £15mil at a fixed rate of 2.088% for Adactus. The north-west based housing association (HA) manage over 13,000 properties and will drawdown in March. This fixed rate loan will add to the thousand-plus housing units AHF have funded in the north-west of England.

AHF also separately priced £10mil for Merlin Housing Society at a fixed rate of 2.098%. The HA, who are currently in merger talks with Bromford Housing, provide community care to over 18,000 people and manage over 8,000 homes. They will use the funding to help achieve the organisations ambitious goal of developing 300 new homes a year by 2019.

AHF's record for low pricing was 1.373%, achieved in August 2016. AHF continues to hold an impressive record of providing attractive financing opportunities through the EIB II facility, which offers competitively priced long dated fixed rate loans.

AHF's Chief Executive said of these latest deals:

'After nearly 5-years of successfully delivering cost-effective debt under the Affordable Homes Guarantee Scheme, we have observed no lull in business. Over thirty thousand units have been built under the scheme, and these latest transactions show how cost-effective AHF's EIB facility is.'

The debate is now starting to turn to whether AHF might figure in the £8bn of new guarantees to support housebuilding - including SMEs and purpose built rented housing – announced in the November 2018 Budget.

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